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**FILED**

JAN 23 2015

Clerk, U.S. District Court  
District Of Montana  
Billings

*ck*

**ATTORNEY FOR PLAINTIFF  
UNITED STATES OF AMERICA**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MONTANA  
GREAT FALLS DIVISION**

**UNITED STATES OF AMERICA,**

**Plaintiff,**

**vs.**

**FRANK GREGORY HENRY and  
MELODY BILLY HENRY,**

**Defendants.**

**CR 14 -66-GF-BMM**

**SUPERSEDING INDICTMENT**

**CONSPIRACY TO EMBEZZLE  
FEDERAL GRANT AND CONTRACT  
FUNDS (Count I)**

**Title 18 U.S.C. § 371**

**(Penalty: Five years imprisonment, \$250,000  
fine, and three years of supervised release)**

**THEFT FROM AN INDIAN TRIBAL  
GOVERNMENT RECEIVING FEDERAL  
FUNDING (Count II)**

**Title 18 U.S.C. §§ 666(a)(1)(A), 2**

**(Penalty: Ten years imprisonment, \$250,000  
fine, and three years of supervised release)**

**BRIBERY/ACCEPTING (Count III)**

**Title 18 U.S.C. §§ 666(a)(1)(B), 2**

**(Penalty: Ten years imprisonment, \$250,000  
fine, and three years of supervised release)**

<b>THEFT FROM AN INDIAN TRIBAL ORGANIZATION (Count IV)</b> <b>Title 18 U.S.C. § 1163</b> <b>(Penalty: Five years imprisonment, \$250,000</b> <b>fine, and three years of supervised release)</b>
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THE GRAND JURY CHARGES:

INTRODUCTION

At all times relevant to this Indictment:

1. The Chippewa Cree Tribe of the Rocky Boy's Indian Reservation was a federally recognized tribe located in north central Montana whose affairs were governed by the Chippewa Cree Business Committee and whose government was located at Box Elder, Montana.

2. Stone Child College was a tribal college of the Chippewa-Cree Tribe located in Box Elder, Montana.

3. In Fiscal Years 2011, 2012, and 2013, the U.S. Department of Education provided, in total, \$13,329,490 in direct federal funding to Stone Child College.

4. In Fiscal Years 2011, 2012, and 2013, the U.S. Department of Interior provided, in total, \$9,838,160 in direct federal funding to Stone Child College.

5. In Fiscal Years 2011, 2012, and 2013, the U.S. Department of Health and Human Services provided, in total, \$1,749,823 in direct federal funding to Stone Child College.

6. Between August 2010 and November 2012, the United States Environmental Protection Agency provided \$1,988,522.60 to the Chippewa Cree Tribe, which then commingled those funds in general accounts from which Stone Child College was funded by the Tribe.

7. Defendant FRANK GREGORY HENRY was the Facilities Department Manager for Stone Child College.

8. Defendant MELODY BILLY HENRY was the President of Stone Child College.

9. Hunter Burns Construction, LLC, [hereinafter Hunter Burns Construction] was a construction company doing business on the Rocky Boy's Reservation, and elsewhere in north central Montana, and received significant construction contracts from the Chippewa Cree Construction Corporation, the Rocky Boy Health Board, and Stone Child College.

## COUNT I

### THE CONSPIRACY

That from on or about September 7, 2010, and continuing thereafter until on or about December 1, 2012, at Box Elder, in the State and District of Montana, and other places, the defendants, FRANK GREGORY HENRY and MELODY BILLY HENRY, together with Hunter Burns and Hunter Burns Construction, LLC, and other persons to the Grand Jury both known and unknown, did knowingly and

intentionally conspire, confederate, and agree to commit an offense against the laws of the United States, namely that one of the conspirators, being an agent of an Indian tribal government, would intentionally embezzle, misapply, and cause to be misapplied, and knowingly obtain by fraud, and otherwise without authority converted to the use of any person other than the rightful owner, property valued at \$5,000 or more and under the care, custody, and control of the Chippewa Cree Tribe and the Chippewa Cree Business Committee, an agency of Indian tribal government receiving federal funding, a violation of 18 U.S.C. § 666(a)(1)(A).

#### THE OBJECT OF THE CONSPIRACY

The objectives of the conspiracy were varied, but included the following:

To extract monies and funds from the Chippewa Cree Tribe for the personal benefit and enrichment of FRANK GREGORY HENRY and MELODY BILLY HENRY, and others, through payments to Hunter Burns Construction which would then make payments made back to FRANK GREGORY HENRY and MELODY BILLY HENRY for their own personal use and benefit.

#### OVERT ACTS

In furtherance of the conspiracy, and to affect the objects thereof, the conspirators committed, among others, the following overt acts.

Between on or about September 7, 2010, and on or about December 1, 2012, having approved for payment from College accounts, and provided Hunter Burns

Construction with \$530,242, more or less, in Stone Child College construction and consulting contract payments, FRANK GREGORY HENRY and MELODY BILLY HENRY solicited and received \$242,273, more or less, in payments from Hunter Burns Construction.

All in violation of 18 U.S.C. § 371.

## COUNT II

That from on or about September 7, 2010, and continuing thereafter until on or about December 1, 2012, at Box Elder, in the State and District of Montana, and other places, the defendants, FRANK GREGORY HENRY, then the Facilities Department Manager for Stone Child College, and MELODY BILLY HENRY, then the President of Stone Child College, agents and officers of Stone Child College, an agency of Indian tribal government, did intentionally embezzle, steal, obtain by fraud, intentionally misapply, and otherwise without authority converted to the use of a person other than the rightful owner, property valued at \$5,000 or more and under the care, custody, and control of the Stone Child College, an agency of the Chippewa Cree Tribe, and the Chippewa Cree Tribe, an Indian tribal government, that is, the defendants, FRANK GREGORY HENRY and MELODY BILLY HENRY, used and authorized Stone Child College payments to a contractor, well knowing that in exchange for the payment of public funds the contractor would make a significant payment back to the personal use, benefit, and enrichment of

FRANK GREGORY HENRY and MELODY BILLY HENRY, and which were not bona fide wages or compensation provided in the usual course of business but were corrupt payments expected or demanded as a condition of continuing a contracting relationship with Hunter Burns Construction, and through this inflated billing and kick-back scheme caused the misapplication, conversion, and embezzlement of funds provided to Stone Child College, in violation of 18 U.S.C. § 666(a)(1)(A).

### COUNT III

That on or about September 7, 2010, and continuing thereafter until on or about December 1, 2012, at Box Elder, in the State and District of Montana, and other places, the defendants, FRANK GREGORY HENRY and MELODY BILLY HENRY, did corruptly accept and agree to accept a thing of value from Hunter Burns and Hunter Burns Construction, LLC, with the intent to be influenced and rewarded in connection with a transaction and series of transactions of Stone Child College, of a value of \$5,000 or more, that is, the defendant, FRANK GREGORY HENRY and MELODY BILLY HENRY, having awarded Hunter Burns Construction, LLC, tribal contracts for construction and consulting services at Stone Child College, and having provided payment in the amount of \$524,352.46, more or less, solicited and accepted payments from Hunter Burns Construction, LLC, in the amount of \$242,273, more or less, for their own personal use and enrichment, in violation of 18 U.S.C. § 666(a)(1)(B).

COUNT IV

That between on or about July 31, 2012, and continuing thereafter until on or about July 30, 2014, at Box Elder, and elsewhere, in the State and District of Montana, the defendants, FRANK GREGORY HENRY and MELODY BILLY HENRY, did embezzle, knowingly convert to their use and the use of another, willfully misapply and willfully permit to be misapplied, more than \$1,000 worth of the goods, assets, and property of Stone Child College, an Indian tribal organization, and under the care, custody, and control of an agent of the Chippewa Cree Tribe, and did aid and abet the embezzlement, conversion and misapplication of tribal property, that is, the defendants, FRANK GREGORY HENRY and MELODY BILLY HENRY, converted and misapplied tribal funds to purchase a generator for their own personal use and benefit or converted and misapplied the generator itself, after purchase by the College, to their own personal use and benefit, in violation of 18 U.S.C. §§ 1163, 2.

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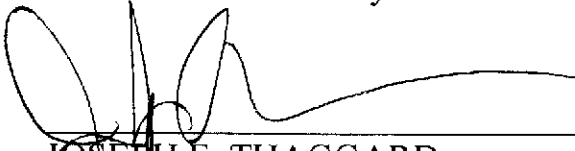
A TRUE BILL.

Foreperson signature redacted. Original document  
filed under seal.

FOREPERSON 



MICHAEL W. COTTER  
United States Attorney



JOSEPH E. THAGGARD  
Criminal Chief Assistant U.S. Attorney

2-10-15 @ 10:00 a.m.  
with JJJ in GF.

Crim. Summons ☒ both

Warrant: \_\_\_\_\_

Bail: \_\_\_\_\_